

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

ATTORNEY GENERAL'S FIRST SET OF DOCUMENT AND  
INFORMATION REQUESTS

D.T.E. 05-35

Respondent: Nancy G. Culliford

Date: July 26, 2005

Information Request AG-1-1

- Q. Has the Company arranged for supplies that it plans to transport via this agreement? If not, when does the Company plan on making such arrangements for the "other purchased resources" identified on Schedule TEP -2, page 1 of 3 and 3 of 3. When will the Company issue a RFP for the supply?
- A. The Company is currently evaluating its needed supply requirements for the years 2005/06 and 2006/07 as found in Schedule TEP-2 and it will add any requirements prior to the beginning of those years. Since the ConneXion Project is not scheduled to start service until November 2007, the Company has not yet arranged for supplies associated with its Tennessee ConneXion Project capacity addition. Because the primary receipt points are located at liquid trading points in proximity to the producing regions of the Gulf of Mexico (Tennessee Zone 0 and Zone 1), the Company expects to be able to purchase commodity at competitive market rates for transportation to Boston to help address its overall firm sendout requirements. To the extent that the Company is under contract with an asset manager, such as the current asset management agreement with Merrill Lynch, then the obligation to deliver the commodity to the Company's city gate would reside with the Asset Manager. To the extent that the Company does not renew its Asset Management agreement or enter into a similar arrangement with another third party, then the Company would engage in an RFP process for the commodity needed to meet its firm sendout requirements. Those requirements may be met through a combination of arrangements including, long-term and short-term supply contracts.